

FISCAL NOTE

SB 409 - HB 1011

January 15, 2004

SUMMARY OF BILL: Amends law relative to joint ventures of municipal electric systems to provide cable, internet and related services by requiring approval of such joint venture by referendum. Requires a municipal electric system providing cable, internet and related services to send a copy of the business plan for such services via certified mail to all persons currently providing cable service in the area. Requires two-thirds of the legislative body of the municipality where a system is located to approve undertaking a feasibility investigation with regards to providing cable, internet and related services and provides for the costs to a system for analyzing feasibility to be allocated to the rates for such services. Requires municipal electric systems offering such services to report specific information annually to the Comptroller's Division of Local Finance and at a public meeting for which proper notice has been given.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Increase Local Govt. Expenditures - Not Significant

Other Fiscal Impact - To the extent a municipal electric system is prevented by referendum from providing cable, internet or related services that would have been authorized in the absence of the referendum requirement in the bill, such system will forgo revenues and expenditures related to offering such services estimated to exceed \$100,000.

Estimate assumes:

- the state will experience a not significant increase in expenditures for the cost of additional reviews of business plans and reports submitted by municipal electric systems to the Comptroller's office.
- an increase in local government expenditures for the cost of certified mailings, the publication of required notices, and other administrative expenses under the provisions of the bill.
- the required referenda would be held at the time of a regularly scheduled election so additional costs related to any such referendum would be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director